



Transforming Lives. Building Community Well-Being.

June 25, 2020

**TRILLIUM HEALTH RESOURCES  
GOVERNING BOARD MEETING MINUTES**

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The Trillium Health Resources Governing Board met on Thursday, June 25, 2020, at 4:00 p.m. via WebEx conference call.

**Members Present:** Ernestine Bazemore, David Clegg, Jimmy Farrington, Mary Ann Furniss, Tracey Johnson, Ron Lowe, Jim Madson, Ed Masters, Dr. Denauvo Robinson, Sheri Slater, and Tom Savidge.

**Members Absent:** Emmie Taylor-Ortiz and Lea Wolf.

**Staff Present:** Bland Baker, Cindy Ehlers, Joy Futrell, Kim Huneycutt, Richard Leissner, Mike Lewis, Michelle Martin, Dave Peterson, Dr. Michael Smith, Leza Wainwright, Dennis Williams and Rita Joyner, Clerk.

**Guests:** Carol Choate, CEO, A Caring Heart Case Management; Lisa Jackson, liaison with the NC Department of Health and Human Services (DHHS, aka The Department).

**I. CALL TO ORDER**

Ms. Furniss called the June 25, 2020 meeting to order at 4:00 p.m.

**II. CONSENT AGENDA**

Ms. Furniss called for a motion to approve the consent agenda items to include the following items:

- April 23, 2020 Governing Board minutes
- 2020 – 2021 Corporate Compliance Plan
- Governing Board Meeting Schedule for FY 2020 - 2021

Mr. Masters moved to approve the consent agenda items. The motion, seconded by Mr. Lowe, was unanimously approved.

**III. PUBLIC COMMENTS**

Carol Choate, CEO of A Caring Heart Case Management stated that her purpose for joining the meeting was that she felt very disconnected at this time and just wanted to stay in touch with the MCO. She also stated that she had sent a letter to the board to let them know that Trillium has been amazing and she appreciates their leadership and all that has been done to help providers be able to keep everyone safe during this time of the pandemic. Ms. Furniss confirmed that the letter had been received and was very much appreciated.

**IV. PUBLIC HEARING ON PROPOSED BUDGET FOR FISCAL YEAR 2020 – 2021**

Ms. Furniss called for a motion to enter into the public hearing on the proposed budget for fiscal year 2020 – 2021. Mr. Lowe so moved. The motion, seconded by Dr. Robinson, was unanimously approved.

There were no comments or questions from the public on the proposed budget.

Ms. Furniss called for a motion to adjourn the public hearing. Ms. Slater so moved. The motion, seconded by Mr. Lowe, was unanimously approved.

**V. ADOPTION OF AGENDA**

Ms. Furniss stated that she has a request from management to add an agenda item: Permission to Sell Property. Ms. Slater moved to adopt the agenda as amended. The motion, seconded by Dr. Robinson was unanimously approved.

**VI. BOARD COMMENTS/CONCERNS**

There were no comments or concerns expressed by the board.

**VII. CONVENE FINANCE COMMITTEE MEETING**

Ms. Furniss entertained a motion to recess the Governing Board meeting in order for the Finance Committee meeting to convene. Ms. Slater so moved. The motion, seconded by Mr. Masters, was unanimously approved.

**VIII. BUDGET REVISION II FY 2019 - 2020**

Ms. Furniss entertained a motion to reconvene the Governing Board meeting. Ms. Slater so moved. The motion, seconded by Mr. Lowe, was unanimously approved.

Ms. Futrell reported that the second budget revision for fiscal year 2019-2020 was a net increase in our budget of approximately \$15.7 million. The primary purpose for the increase is additional Medicaid funds of \$12 million, for services around COVID-19, bringing the total to approximately \$14.3 million. \$1.4 million of the increase is for additional state and federal allocations.

Medicaid is the main driver for revenues. There were a few counties that collected more in ABC funds than they originally estimated in their allocation, so this has been adjusted. Additional funding was also added to some existing grants.

A decrease in revenues is from the State 3-Way hospital agreement. One or two hospitals did not pull down all of their money and during the year the State reallocates those funds to other hospitals.

The net increase of Budget Revision II for fiscal year 2019-2020 brings the total budget to \$555,322,013.

Mr. Clegg moved to approve the budget revision, seconded by Mr. Lowe and unanimously approved.

**IX. PAY PLAN FOR FISCAL YEAR 2020 – 2021**

Ms. Futrell reviewed the pay plan for fiscal year 2020 – 2021. She reported that there were no new positions on the pay plan, but one position on the pay plan had been moved. The position of Support Specialist was moved from pay grade 24 to pay grade 25 due to a study that was done which revealed specialization around their work which is different from that of an administrative assistant. This move did not cause any automatic salary increases.

Starting at pay grade 30 the ending salary range has been increased, primarily for recruitment purposes and also in the event that the board chooses to do any kind of an across the board salary increase in the future. Since there are some staff who have been with Trillium a long time and who may be near the end of the salary range, the ending range has been opened up. There were no changes made to the CEO salary range, since this range is set by the Office of State Personnel.

Ms. Futrell reported that the required annual county comparison to the pay plan has also been completed.

Ms. Furniss entertained a motion to approve the pay plan. Mr. Clegg so moved. The motion, seconded by Mr. Lowe, was unanimously approved.

**X. BUSINESS FINANCIAL PLAN AND ADOPTION OF BUDGET ORDINANCE FOR FY 20-21**

Ms. Futrell presented the proposed budget for fiscal year 2020 – 2021 totaling \$514,362,122. On the state side, one-time state and federal allocations have been removed. As allocations are received throughout the year, they will be added back in. The budget supports 505 positions. There is no increase in the salary line item in the budget at this time. The budget includes an estimated \$10.3 million in fund balance budgeted for replacement of state administrative funds, but this should go down during the year when the first budget revision is done.

Final Medicaid rates have been received and are better than the draft rates that were received for July 1 that this budget was based upon. As the draft rates were adjusted, our total Medicaid budget ended up being about \$446 million, approximately \$10 million more than projected from the draft rates. The majority of this is on the service side and the remainder is for a couple of large administrative projects that have to be done and that are federal in nature.

When the draft budget was prepared, there was approximately \$59 million in state funds on the state side. Our single stream allocation alone is \$39 million. This should go up to approximately \$52 million in this current year, which means that we would be able to reduce the usage of our fund balance.

County general and ABC funding was budgeted the same on the proposed budget as it is for the current year, assuming that all counties will contribute the same amount as they have in the current year. Adjustments will be made in a budget revision once county funding allocation letters are received. County funds support Crisis Intervention Training (CIT) for law enforcement and EMS, Mental Health First Aid for children and adults in our communities, and Neighborhood Connections projects in each of our 26 counties. ABC funds support beds at the Healing Place in Wake County, in addition to Naloxone kits that are distributed in the counties if all of the ABC money is not used.

Mr. Lowe moved to approve the Business Financial Plan and adopt the Budget Ordinance for Fiscal Year 2020 - 2021. Dr. Robinson, seconded the motion, which was unanimously approved.

**XI. ADOPTION OF BUDGET REVISIONS NECESSARY TO CLOSE FISCAL YEAR**

Ms. Furniss called for a motion to adopt a resolution authorizing the Governing Board chair to approve any budget revisions for fiscal year 2019 - 2020 needed subsequent to this Board meeting and June 30, 2020. Ms. Slater so moved. The motion, seconded by Mr. Masters, was unanimously approved.

**XII. PERMISSION TO SELL PROPERTY**

Ms. Futrell reported that Trillium owns property at 133 Gallop Road in Point Harbor, NC. A provider had been using the property, but left in January of 2018. Our committee has recommended that we sell at \$225,000, which the buyer has agreed to. The property is one that we inherited when we consolidated with Albemarle Mental Health Center. Ms. Futrell recommended that the offer of \$225,000 be accepted by the board.

Mr. Lowe made a motion to approve the sale of the property, seconded by Mr. Masters.

After discussion on the motion, the sale of the property at \$225,000 was unanimously approved.

**XIII. PRESENTATION ON TRILLIUM'S RESPONSE TO COVID-19**

Kim Huneycutt, Trillium's Internal Compliance and Medicaid Contract Manager, gave a presentation on Trillium's implementation of emergency flexibilities and waivers in response to the novel Coronavirus from March 2, 2020 through June 12, 2020.

**XIV. DIRECTOR'S REPORT**

Ms. Wainwright discussed the following items from her written report.

Covid-19

Ms. Wainwright added to Ms. Huneycutt's remarks on a survey that was done of staff and reported that most employees thought they were actually being more productive working from home than they had been in the office and the results confirm that. The Executive Team went through the organizational chart and made sure that each employee had a full time job that they were doing in return for full time pay. A number of temporary employees were let go, because we had full time employees who could now fill in and do some of this extra work, since they were not having to perform all of the duties of their normal job.

The decision has been made that we will hold off on voluntarily reopening the offices until August 17<sup>th</sup>, which coincides with when schools are supposed to reopen. A protocol has been developed and put into place so that when people do come back into the offices, they do so safely.

Medicaid Transformation

The Senate introduced S808 as a stand-alone bill to address Medicaid Transformation. Ms. Wainwright reviewed provisions included in the bill as it was passed by the Senate, and a new Proposed Committee Substitute (PCS) version that has passed the House as of June 24. Ms. Wainwright stated that the Senate is expected to concur with this version, which would mean it would then go to Governor Cooper. This would mean that Medicaid Transformation would be back on the front burner and that Tailored Plans would be scheduled for implementation on July 1, 2022.

#### Other State Budget Issues

General Assembly economists project that lost revenue due to COVID-19 will cost the State approximately \$4 billion. The General Assembly still has about \$1 billion in unspent federal COVID funds and they are hoping to use this to help offset the deficit, if Congress loosens up the restrictions on how COVID money might be used.

#### Tailored Plan Eligibility

Ms. Wainwright stated that now that it looks like Tailored Plans are back on the table, we are revisiting the issue of eligibility and what we believe are some key differences between how DHHS is designing Standard Plans and Tailored Plans and the way the legislation envisioned they would work. The first difference is in the presumptive eligibility and the second is how movement between Standard Plans and Tailored Plans is designed.

Cardinal Innovations Healthcare Solutions has filed suit against DHHS in the Office of Administrative Hearings over these differences and we are continuing to monitor this issue.

#### Racial Issues

Two “Trillium Town Halls” have been held to give our staff an opportunity to discuss racial issues, ask questions and offer solutions. From those conversations we are developing a number of internal workgroups to propose actions Trillium should take to ensure we are a culturally competent and anti-racist organization.

#### The Healing Place of New Hanover County

Ms. Wainwright stated that she is requesting the Board’s approval to send a letter to the New Hanover County Manager, copying the members of the New Hanover Board of County Commissioners, reminding them that the decision of the operator of the facility is not the County’s to make and putting them on notice that if they try to overrule the decision Trillium has made, they risk triggering the reversion clause in the land transfer agreement.

Dr. Robinson moved to approve this request. Ms. Slater seconded the motion, which was unanimously approved.

#### **XV. CFAC REPORT**

Ms. Furniss, Southern Region CFAC designee, and Mr. Lowe, Northern Region CFAC chair, gave reports on behalf of their respective committees.

#### **XVI. CHAIR’S REPORT**

Ms. Furniss recognized Sheri Slater and Ed Masters who will be leaving the board. Ms. Furniss read a certificate of appreciation that will be mailed to each of them and recognized Ms. Slater for 5 years of service on the Governing Board and Mr. Masters for 2 years of service. Mr. Tom Savidge announced that he would also be stepping down as chair of the Network Council and therefore would no longer be a member of the Governing Board. Mr. Savidge has served for 2 years as a non-voting member on the Governing Board. Ms. Furniss expressed appreciation for his service on the board.

Ms. Furniss reported that the current Nominating Committee including Ron Lowe, chair, Jim Madson, and Lea Wolf, have been asked to present a slate of officers at the August meeting for the upcoming year. She encouraged members that if they had any nominations for the offices of chair or vice chair to contact a member of this committee.

**XVII. CLOSED SESSION TO DISCUSS CEO EVALUATION**

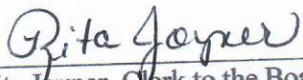
Ms. Furniss entertained a motion to enter into closed session, pursuant to GS 143-318.11(a)(1)&(6), to discuss a personnel matter. Mr. Madson so moved. The motion, seconded by Mr. Lowe, was unanimously approved.

Upon returning to open session, Ms. Slater expressed the board's appreciation to Ms. Wainwright and stated that everyone on the committee was 100% behind the high score given to Ms. Wainwright on her evaluation. The vote by the committee and ensuing discussion by the board, however, was not in favor of an increase in salary at this time. Ms. Slater explained that this decision was in no way a reflection on Ms. Wainwright's evaluation and job performance, but was purely economic in nature due to the current times.

**XVIII. ADJOURNMENT**

With there being no other business, Ms. Furniss called for a motion to adjourn. Ms. Slater so moved. Mr. Madson seconded the motion which was unanimously approved.

The meeting adjourned at 6:55 p.m.

  
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Rita Joyner, Clerk to the Board

  
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Mary Ann Furniss  
Governing Board Chair